

Day
William

ADMINISTRATIVE FILE

Day, William S.W.

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February 23, 1959.

Mr. Abraham Weiss,
Economist, The Teamsters
Union, Washington, D.C.

Dear Mr. Weiss:

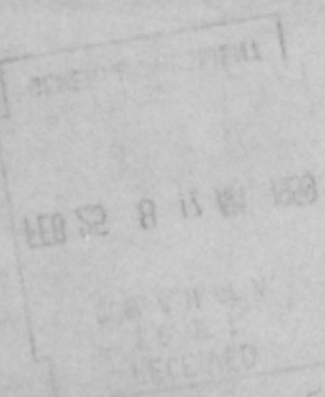
Have your communication of February 19th and thank you
for your reply to my unsolicited communication.

attached is material in which I make the claim
government expenditures in the market place and its
marking on various monetary practices such as I
mention in material, cannot force our buyers market to
evolve into a sellers market on a basis that will
be equitable to workers and other classes of our society.

/If you can spare the time, please check my claim for
me for practical grounds for making it. Our economic
problem is a very complex one. Comparing ideas about
its solution cannot do any harm.

Very truly yours,

Wm. S.W. Day,
217 E. Chilsom,
Alpena Michigan.



(February 22, 1959.)

----- Material.

Our Private Competitive Economy
---Capitalist Economy.

---- The Basic Economic Subdivisions or Systems.

The Financial System, The Communications System, The Transportation System, The Distribution System, The Industrial System, The Agricultural System, The Monetary System.

----- Note: You state in your communication, " The immediate need is the prompt release of several billions of buying power into the nation's spending stream. This will boost sales. Halt inventory reduction. Put idle plants into operation. Unless such action comes, problems of employment will remain with us for some time. As things now stand prosperity for jobs are not good."

----- Check my claim which follows:

Division of the monetary system into is more important subdivisions. The division is not complete. I mention only those I think necessary to point up the claim I am trying to make.

----- First I divide the Value of money into two values which are -Buying power value and intrinsic value.

----- In a competitive economy--Private competitive economy I should say---- the cost of living regulates the buying power of money. The intrinsic value of money is regulated by the value (price) of the commodity employed as the medium of exchange, or in other words, money, the quantity & value of the ~~exchange~~ commodity employed as the exchange medium, and the quantity value of the commodity of the exchange medium. In other words, if a nation is on the gold standard of money such as ours is, the price of gold, the weight of the gold dollar, and the quality of the gold metal from which we coin gold money or use as bullion for a basis for token currency---- regulates intrinsic value.

Value The Buying Power of Money

 The intrinsic value of money.

My claim: The effort to release buying power of money when it becomes pent up in the buyers market period of the capitalist cycle of business such as government expenditure of monies in the market place at home and abroad and through practices such as tampering with the price of gold, devaluation of the gold dollar for profit, and so forth, INCREASES the cost of living which reduces the buying power of money. The decline forces organized workers, public servants, members of the professions, and so forth to demand more money for services, necessities of life, and ~~this~~ ETC, and factors for a further decline in the buying power of money. The
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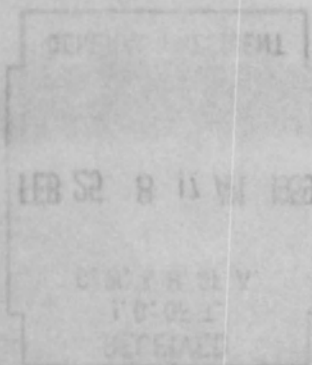
vicious cycle continues until such time the buying power of a dollar will decline to a point it will make the pension, savings, and so forth, at best not a very good security set up.

As I stated in my other communication we are in the buyers' market period of our fourteenth cycle of business--- that is to say in our nation's history. Their total life spans varied or ranged from 2 and 3 to as many as 7 and 8 years.

Prior

from ~~1914~~ to the early 1930's buyers' market, old guard Republicans and old guard Democrats said the nation was sweating out a buyers' market and that after the "sweatout" would take place, a prosperous sellers' market would set in. The old rascals could not or did not want to understand that every one was not as fortunate as they were. That economic statuses permitted millions of their fellow citizens going through such a process for periods ranging from two to eight years. It is my belief we can force a buyers' market to evolve into a sellers market on a more equitable basis -- evolve in a period ranging from 6 to 12 months or at most in two years. What I am trying to say, Mr. Weiss, is we have to release pent up demand in a manner that does not involve buying power. My material is offered not as criticism of policies of organized labor. We are dealing with a complex problem. Comparing ideas about its solution cannot do any harm.

---Wa.S.W. Day, Alpena, Michigan.



ADMINISTRATIVE FILE

Day, William S. W.

February 19, 1959

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Mr. William S. W. Day
217 E. Chilaoka
Alpena, Michigan

Dear Mr. Day:

This is a reply to your recent letter addressed to General President Hoffa in which you trace your ideas concerning methods to counteract the present recession. It is heartening to find people who devote serious and earnest consideration to the basic economic problems of our day and who are willing to bring their thoughts to the attention of the public and of important leaders in government, industry, and labor.

It seems to me that your analysis hits the crucial problem; namely, that of adjusting consumption to production.

The immediate need is the prompt release of several billions of purchasing power into the nation's spending stream. This will boost sales, halt inventory reduction, and put idle plants into operation. Unless such action comes, problems of unemployment will remain with us for some time to come. As things now stand, prospects for jobs are far from good.

What we need is a vigorous Federal program to stimulate national production, to fight for full employment, and to help build buying power. This means improving aid for education, help for depressed areas, a better unemployment insurance program, improvements in social security and public works in general.

As trade unionists, we are concerned about unemployment. Through our collective bargaining contracts, we stress the principle of seniority, so as to provide older workers with job security. By winning higher wages and health and welfare and pension benefits, we add to the worker's economic security and add to his purchasing power. We give him protection against discrimination. We strive

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to eliminate unfair competition so that the fair employer can continue to pay decent wages and provide good working conditions.

Thank you again for your thoughtfulness in sharing with us your ideas and proposals.

Very truly yours,

Abraham Waiss
Economist

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... Mr. Weiss
May I have
your comments
HJB.

February 9, 1959.

Mr. James Riddle Moffa,
The Woodner Hotel,
Washington, D.C.

Dear Mr. Moffa:

Jim Bishop's article in which he quotes you about the problem
workers being displaced by automation interests me a great deal.
I have done considerable research in it. Attached is material
in which I deal with it.

My unsolicited communication does not obligate you or your
organization to me in any way. It probably won't get past your
secretary any way. If you should get it, all I ask is you read it
through carefully. And if it should prove of interest, I will
describe what I suggest in complete detail. It does no harm to
compare ideas.

Very truly yours,

Wm. S. W. Day,
217 E. Chilcote,
Alpena, Michigan.

(February 9, 1939.)

(From Wm. S. W. Day, Alpena, Michigan.)

(Material)

--- The 1930's depression was the close of the thirteenth cycle of business in our nation's history. Today, we are in the buyers' market, the CLOSE of the 14th cycle of business in our history.

--- A buyers' market sets in when production expands to the volume Demand for the necessities of life can not absorb it. In other words, when surpluses accumulate in the market place that force a readjustment of production---- the curtailment of production.

----- The curtailment either restricts production in the factory or whatnot, or closes the factory or the whatnot--- retail store like in Livernois and Fankell, the trucking firm, and so forth.

--- When this situation develops--- it has developed fourteen times in our history, people lose their jobs or work part time which raises old hob with their buying power. It becomes pent up. They would like to use it but they can't release it like they would like to. You remember the scene in the early 1930's. Supermarkets, and other stores were chock full of life's necessities but pent up buying power prevented many people ~~from~~ from buying the things they wanted to buy.

----- Demand for the necessities of life ~~existed~~ actually ~~exists~~ is pent up even in the sellers' market of the cycle of business ---- in the most prosperous years of the cycle of business. But in the buyers' market it really becomes inequitable for about a third of our country's population -- becomes inequitable like it did in the 1930's, the early 1990's, the late 1870's, and so forth. I could go ~~back~~ into our history and tell you about buyer/~~markets~~ back to the Jacksonian Era. There would be no point in my doing so. It would be tiresome ~~repetition~~ repetition.

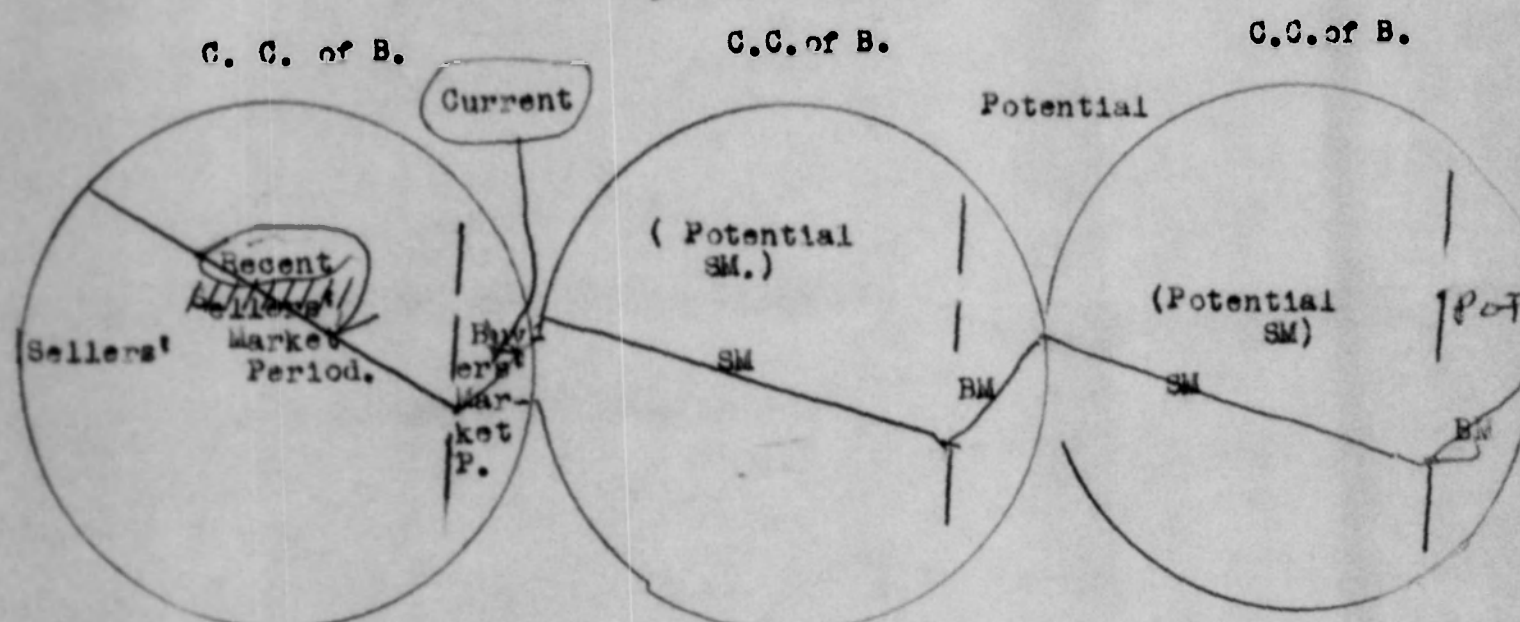
----- What I am trying to say is the solution of the buyer market problem(depression) is not doing away with ~~the buyers' market~~ but it is our job to put an economic program into practice--- Capitol Hill's job in other words-- that will ~~force~~ force a buyers' market to evolve into a sellers' market (Next page, please.)

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(W.S.W.D.)

in a period of time ranging from 6 to 12 months. Example:

The Capitalist Cycle of Business.



----- The lines I have drawn across cycles roughly represent the buying power of our dollar. It is supposed to decline in the sellers' market when we are trying to catch up with demand for the necessities of life and rise when surpluses of necessities accumulate in the buyers' market. As I see it our dollar's buying power should decline and rise within an orbit in which it would lose about 5 percent of its buying power in a cycle of business. Decline about 25 percent and rise about 25/ 20 percent. It has got to be that way James, ~~because~~ because if our dollar would continue to lose its buying power indefinitely, ~~eventually~~ eventually, the dollar's value would decline to a point a teamster's monthly pension check social security or any other kind would hardly buy him a new hat.

--- I know you are a capable union leader and would not want such a situation develop at some future time.

----- You will note in the above I maintain our buyers' markets should be made to evolve into sellers markets within a period of time that would range between six and twelve months. Throughout our land today there are many economists who offer methods to gain this objective. You have yours, I have mine, and so forth.

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(W.S.W.D.)

These methods range from the suggestion being offered by various captains of the Detroit auto industry that greater productivity (how silly are they going to get James?) will force a buyers market in which there is a surplus of the necessities of life exists, into a sellers' market of great prosperity, to such tom fool notions a national lottery will knock a buyers' market in the head.

You know better and I know better. We know recession is an old problem and that productivity in our nation has expanded to a volume today, modern methods must be employed to release pent up demand for the necessities of life when a recession (buyers' market) sets in.

Attached is something Jim ~~Wisker~~ Bishop quoted that you said. Bishop is such a malarkey thrower for all I know he probably did not quote you exactly. The quote:

Bishop talks:
~~1/11/1971/1/11/1971~~ " One of the protests wonders, out loud, about automation. Hoffa is ~~o~~ certain that , in five years, automation will kill 25 percent of all jobs in plants."

He Quotes You: "The man who used to load stuff by hand now uses a little ~~1/11/1971/1/11/1971~~ 21 lb truck. There is a new gantry crane which can be set on a ship and one man--get this, one man--- can load and unload a whole ship.

" We can't stop progress and we are not trying to. But if one man is going to do the work of 21 , we are going to take care of those 20 guys somehow."

--- In the foregoing I stated demand for the necessities of life is pent up even the the most prosperous ~~1/11/1971/1/11/1971~~ years of a sellers' market and becomes inequitable for a third of the population in/ the buyers' market, and that we should institute a program that would release pent up demand in a period ranging from 6 to 12 months. What I am driving at Mr. Hoffa is such ~~1/11/1971/1/11/1971~~ release would create an expansion of our economy to that point those twenty " guys" would

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(Page 4.)

(W.S.W.D.)

have jobs operating little hi lo trucks and Gantry cranes and you would be hard put for teamsters to haul to and haul away from that ship you mentioned.

As I see it Mr. Hoffa, you are at a turning point in your career. A very critical point. Jim Bishop stated you said, " But if one man is going to do the work of 21, we are going to take care of those other twenty guys somehow."

Cutting the work week a third throughout our economy would take care of (give jobs) to a third of the 20. This would leave about 13 hitting the bricks. Organized labor could not afford to shoulder the cost of taking care of those displaced by automation; the government would have to do it. If it shoulders the cost, the cost of living would rise and rise which would reduce and reduce the buying power of our dollar until its status would decline to that I mentioned about THE MAT. If such a situation should develop, all the hard work that have done or will do for organized labor will take off into the four winds. I know you take your leadership in the ranks of organized labor seriously. It is not just a K job, the money, and the power, that goes with it, with you. The other alternative to the approach to the solution of creating employment for those displaced by automation is as I have stated. A program put into practice by our national government that will force a buyers market to evolve into a sellers market in a period of time ranging from 6 to twelve months. --- Wm.S.W. Day, Alpena, Mich.

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About Automation

One of the priests wonders, out loud, about automation. Hoffa is certain that, in five years, automation will kill 85 per cent of all jobs in plants. He talks about the 21-man gangs on the docks. "The men who used to load stuff by hand now use a little hi-lift truck. There is a new Gantry crane which can be set on a ship and one man — get this, one man — can load and unload a whole ship."

"We can't stop progress and we're not trying to. But if one man is going to do the work of 21, we're going to take care of those 20 guys somehow."

"A three day week," says the tall press agent.

"No," says Hoffa. "The problem is too complex for simple answers. It needs a better solution than time off." The big railroads, he points out, are now in the trucking business. A truck can be driven all day by a Teamster and, at night, it rides a freight car in a continuation of its journey.

"In my time, a truck was 22 feet long and it carried three to five yards of material. Now it's a trailer 45 feet long, but it still has only one driver up front. One truck owner came to me and he said he had a design to hook up two 45-foot trailers and haul them over the road. He said, 'do I have any objections.' I said no, but that when he put them things into operation, I wanted double salaries for my drivers."

"He called me a crank, a thief. I said 'Okay, instead of double salary, my men will take half of the excess profits you make with the 90-foot truck.' This guy thought about it a minute and said: 'I'll pay the double salary.' Now, I ask you ..."

(The Detroit Times for February 21, 1956)